

# **PRESS RELEASE**

## **Congressman John Conyers, Jr.**

**Fourteenth District, Michigan  
Ranking Member, Committee on the Judiciary  
Dean, Congressional Black Caucus**

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### **CONYERS CHARACTERIZES BUSH'S CORPORATE REFORM PROPOSAL AS** **"ALL BARK AND NO BITE"**

Congressman John Conyers, Jr. (D-MI), Ranking Member of the House Judiciary Committee, issued the following statement in response to President Bush's announcement of his reform proposal to prevent future acts of corporate fraud and abuse.

"I am glad to see that the President finally realizes what many hardworking Americans have already come to know. Namely, that the rash of corporate scandals plaguing our economy are not confined to a few bad apples as previously suggested, but instead they are rather widespread and systemic.

I am disappointed, however, with the President's proposal for several reasons. First, while the plan outlines broad principles to bring about reform, it fails to address any specific problems. For example, the proposal neglects to address the treatment of stock options which have fueled many of the acts of fraud and abuse.

Second, the proposal fails to impose sufficient criminal penalties to discourage future acts of fraud and abuse. While it is true that the President's plan does propose to strengthen existing laws that criminalize document shredding and other forms of obstruction of justice, these reforms simply don't go far enough. In my bill, HR 4098, I address these issues in addition to imposing enhanced criminal penalties for actual securities fraud violations.

Third, the proposal does very little, if anything, to ensure that defrauded Americans are able to recoup lost assets. Again, I have introduced legislation that addresses this point by expanding the time frame investors have to bring lawsuits against corporate wrongdoers and by proposing amendments to our bankruptcy laws to make all debts incurred in violation of securities fraud laws nondischargeable in future bankruptcy proceedings.

The moral bankruptcy of some corporate leaders and the recent string of company failures are sapping investor confidence and trust. We must enact sensible legislation that will assure that corporate wrongdoers are not just slapped on the wrist and sent back out into the corporate world to once again, harm hardworking Americans."